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DE RUEHC #2304 3231725
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P R 181719Z NOV 08
FM SECSTATE WASHDC
TO RUEHSW/AMEMBASSY BERN PRIORITY 5075
INFO MISSILE TECHNOLOGY CONTROL REGIME COLLECTIVE
RUEHKL/AMEMBASSY KUALA LUMPUR 0197

S E C R E T STATE 122304

SIPDIS

E.O. 12958: DECL: 11/17/2033
TAGS: [PARM](#) [MTCRE](#) [PREL](#) [MNUC](#) [ETTC](#) [SZ](#) [MY](#) [IR](#)
SUBJECT: SWISS FIRM CONTINUES EFFORTS TO PROVIDE CRYSTAL
OSCILLATORS TO MALAYSIAN-BASED SUPPLIER TO IRANIAN
ENTITIES OF PROLIFERATION CONCERN -- CORRECTED COPY (S)

REF: A. STATE 101519
[B](#). BERN 514
[C](#). STATE 121841

Classified By: ISN/MTR DIRECTOR PAM DURHAM FOR REASONS 1.4 (B),
(C), AND (D).

This cable supersedes STATE 121841 (Ref C), which was
issued with the incorrect action addressee.

[1](#). (U) This is an action request. Embassy Bern,
please see paragraph 4.

[2](#). (S) Background: In late September, we informed the
Swiss government that the Malaysian-based procurement
firm Evertop Services was working to acquire crystal
oscillators from Switzerland's Quartzcom AG on behalf
of the Iranian firm Farezeh Tajhiz Gostar Co. Ltd. (Ref
A). In response, Swiss authorities advised us that
they had temporarily halted a shipment of 3,000 crystal
oscillators that Quartzcom was preparing for shipment
to Evertop, and that an investigation was underway (Ref
B). Evertop Services, although located in Malaysia, is
an Iranian-run firm that has facilitated many
transactions on behalf of Iranian end-users of
proliferation concern, including entities affiliated
with Iran's ballistic missile and unmanned aerial
vehicle programs.

[3](#). (S) We now want to share with GOS officials
additional information indicating that in mid-late
2008, Quartzcom and Evertop were considering the use
of another Asian intermediary or shipping address in
Malaysia in order to circumvent Swiss export controls.
We believe Quartzcom and Evertop were reacting to
restrictions the Swiss government recently put in
place on sales to Evertop.

[4](#). (S) Action Request: Request Embassy Bern approach
appropriate Swiss authorities to deliver talking
points/non-paper in paragraph 5 below and report
response. Talking points also may be provided as a
non-paper.

[5](#). (S) Begin talking points/non-paper:

(SECRET//REL SWITZERLAND)

-- We would like to raise with you a matter of
proliferation concern and request your government's
assistance in investigating this activity.

-- We recently discussed with you information
indicating that the Malaysian-based, Iranian-run
procurement firm Evertop Services Sdn Bhd had sought a
large quantity of crystal oscillators from the Swiss
firm Quartzcom AG on behalf of the Iranian firm

Farezeh Tajhiz Gostar Co. Ltd.

-- In response, you advised us that you had temporarily halted a shipment of crystal oscillators that Quartzcom AG was preparing for shipment to Evertop, and that an investigation was underway.

-- We now want to share with you additional information related to this case.

-- We understand that in mid-late 2008, Quartzcom and Evertop were exploring the use of another Asian intermediary or shipping address in Malaysia to circumvent Swiss export controls - probably as a result of restrictions the Swiss government recently put in place on sales to Evertop.

-- We greatly appreciate your continued support and look forward to hearing of any actions your government takes in response to this information.

End talking points/non-paper.

¶6. (U) Please contact ISN/MTR's John Paul Herrmann with any questions or follow-up issues related to this case (202-647-1430 - herrmannjp@state.sgov.gov) and slug reporting on this issue for ISN/MTR.

¶7. (U) A word version file of this document will be posted at www.state.sgov.gov/demarche.

RICE